Workgroup: Traditional Permits (#4)

1. **Charge:** In Phase 1**,** this workgroup is responsible for defining changes to the existing decision-making process for individually negotiated permits. This workgroup will also define the roles and responsibilities of the facility and the Department in making all decisions. In Phase 2, this workgroup is responsible for developing, documenting, and automating a standardized decision-making process for individually negotiated permits that will ensure that regulated facilities are covered under just one primary compliance document. This process will include revisions, renewals, and first issuances. This process will incorporate changes defined by the Public Involvement, Stationary Source Strategy, and Management workgroups. Phase 1 will run from June, 2004 through December, 2004. Phase 2 will start in October, 2004 and run through December, 2005. This workgroup is responsible for meeting the Act 118 requirements to report back on monitoring and application requirements in March, 2005.

    Phase 1Products (June, 2004 – December, 2004):
    - Define how NSR/Op permits can best be combined (Process #1 and #2, Act 118 requirement due March 05). Make sure to assess needs of facilities with more than one campus. They may need to have primary compliance document for each campus.
    - Work with Stationary Source Strategy workgroup to identify options and make recommendations for regulating at a higher level than emission unit. (Financial #2, Process #2).
    - Define compliance demonstration and monitoring requirements. Evaluate current requirements, define best practices used by other states; develop standardized requirements where this would increase consistency and timeliness; develop mechanism to provide flexibility to facilities, where appropriate (Financial #1, Process #2, and Act 118 requirement, due March 05).
    - Develop solutions to resolve modeling issues brought up in internal/external comments. Evaluate current process, define best practices used by other states and develop solutions (Process #2, Financial #1).
    - Define changes to the means used to determine permit requirements (e.g., calculations, variables, levels). Evaluate current means, define best practices used by other states and develop changes. (E.g. use of MTE for exemptions, pressure drop in bag houses, NAAQS compliance) (Financial #1 and #2, Process #2).
    - Define suggested changes to rules to reduce unnecessary administrative complexity. Identify rules that add complexity (e.g., increase processing time or cause delays in decisionmaking), define best practices used by other states and define suggested changes. (Financial #1).
    - Identify existing IT shortcomings.
    - Identify existing process shortcomings.

    Phase 2 Products (October, 2004 – December, 2005):
    - Develop rule changes where appropriate to simplify administrative complexity.
    - Define the flow of the permit decision-making sequence that would best support businesses to evaluate options, provide them with accurate and timely answers, enable them to submit accurate and timely application information, etc. (Customer Service target #2, Financial target #1, Process targets #2 and #3, and provides foundation for Act 118 requirement to develop application)
    - Develop and document a standardized decision-making process for individually negotiated permits that will ensure that regulated facilities are covered under just one primary compliance document. This process will include revisions, renewals, and first issuances. (Process target #1, Financial Targets #1, and #2)
    - Integrate NR445 and new NSR rules into the process (Process target # 2, Innovation/Learning target #3)
    - Integrate Stationary Source Strategy into the process (Process target #2)
    - Define roles and responsibilities of Department staff and regulated facilities in determining exemptions, doing modeling, etc (Financial #1, Customer Service #2, Process #2).
    - Evaluate permit documents written in other states, define best practices, and develop permit and permit-related document templates (Financial #1, Process #2)

- Define application requirements (Process 2 , Customer Service 2, and Act 118 requirement due March 05).
- Develop new permit guidance where needed. Compile existing guidance materials, evaluate them, and modify where needed. Identify appropriate guidance for posting on web site. (Process 2, Customer Service 2 and 3)
- Work with the Process and Technology workgroup to develop IT tools for individually negotiated permits (Process 2 and Customer Service 1)

2. **This workgroup will develop products to meet the following targets:**
   - Process Targets
   (1) By December, 2004, define a process which ensures that regulated facilities will be covered under just one primary compliance document. By December, 2005 complete development and begin implementation.
   (2) By December, 2005, develop, document, communicate, and manage an updated, consistent, and accurate process for issuing, renewing, and revising permits. Incorporate procedures for any new regulatory approaches into the process. Update procedures regularly.
   (3) Answer questions on permit process and permit policy quickly and accurately resulting in a consistent statewide program providing certainty to staff, permittees and the public.
   - Customer Service Targets
   (1) Track key events of permit applications in "real time." By December, 2004, make event tracking and support documents available on the Department's website in a timely manner for all customers. By July, 2006, the Air Program will be able to receive and process applications electronically.
   (2) By January, 2005, the Air Program will develop a partnership among the public, business, EPA and internal staff related to the function of permitting and the role of the Department. All parties are aware of how to participate in the permit and permit rule-making processes in a meaningful way.
   (3) By February, 2005, the Air Program will develop methods to ensure that businesses and interested parties have a clear understanding of the content of primary compliance documents; how facilities demonstrate compliance; and how to effectively resolve conflicts with the Air Program.
   - Financial Targets
   (1) By June, 2006, reduce the hours spent per permit review, renewal, and revision by an average of 20-40% while providing equal or better environmental protection.
   (2) By June, 2006, reduce by 40-50% the need to revise or modify permits. This could be accomplished by: sharing draft permits; incorporating flexibility; utilizing, modifying, or expanding exemptions; offering alternatives; or refining existing regulations. Evaluate the results of these strategies to ensure that they are consistent with our environmental and public input goals.
   - Innovation and Learning Targets
   (3) Whenever a new permit regulation or regulatory strategy is developed or updated, the Air Program actively works with partners to ensure there is effective communication, opportunity for input, and an appropriate level of education.

3. **Expected improvements resulting from workgroup products:**

Improvements	Satisfies
Streamline permit issuance and renewal	LAB, Act 118, APII, Grow WI
Improved statewide consistency	LAB, Act 118, NOD, APII
Defined application requirements and process	Act 118
Evaluated and improved monitoring requirements	Act 118
Consolidated construction/operation permits process	Act 118, NOD, APII, Grow WI
Improved management of the stationary source program	LAB, Act 118, NOD, APII
Simplified rules, permit process and documents	Act 118, APII
Improved communication and transparency	Act 118, APII

4. **People/Expertise/Skills to be On the Workgroup and Hours Needed:**
   - 2 permit engineers with experience in construction permits.
   - 2 permit engineers with experience in operation permits
   - 1 permit section chief or team leader
   - 1 regional manager
   - 1 modeler
   - 1 compliance inspector (core team member)
   - 3 industry environmental managers with permit expertise and process design expertise
   - At least 1 representative of small business, with permit expertise*
   - 2 air permit engineering consultants with permit expertise
   - At least 1 environmental group representative with environmental engineering or science background*
   - 1 economic development specialist to assist in designing process

*We would like to 3 representatives, to be consistent with industrial environmental managers, but recognize the hardship this would pose to small businesses and environmental groups.

It is assumed that all members will attend workgroup meetings together, but some members may be doing more work between meetings to develop products to bring back to the workgroup.

Resource	FY04-4	FY05-1	FY05-2	FY05-3	FY05-4	FY06-1	FY06-2	Total
Project Lead	100	400	400	400	400	400	400	2500
Operation Permit Engineers (2)	100	500	500	500	500	500	500	3100
Construction Permit Engineers (2)	100	500	500	500	500	500	500	3100
Permit Section Chief	50	100	100	100	100	100	100	650
Regional Manager	50	100	100	100	100	100	100	650
Modeler	50	125	125	125	125	100	100	750
Compliance Core Team Member	50	125	125	125	125	100	100	750
Administrative Support	75	75	75	75	75	50	50	475
Legal Support	25	50	50	50	50	25	25	275
Industrial Reps (3)	75	300	300	300	300	50	50	1375
Small Business Rep	25	100	100	100	100	25	25	475
Consultants (2)	50	150	150	150	150	25	25	700
Environmental Group Rep	25	75	75	75	75	25	25	375
Economic Development Specialist	25	75	75	75	75	25	25	375
Note: This workgroup will need to bring in various staff with specialized expertise on an ad hoc basis.								

5. **Other people or projects this workgroup should coordinate with:**
   - Need to clarify interface with new NSR rules, especially in regards to PALs, exemptions
   - Need to clarify interface with short-term Act 118 work on NSR/Op permit interface, exemptions.
   - Will report to the legislature on monitoring requirements and application requirements in March , 2005

6. **Dependencies – (what products does this workgroup rely on from others, what does this group owe others):**
   - This workgroup needs to prioritize development of its products so that IT solutions can begin to be developed in October, 2004 and be completed by December, 2005.